



Billing Code 3110-01

OFFICE OF MANAGEMENT AND BUDGET

Notice of Availability and Request for Comment on “Technical Support Document: Social Cost of Carbon, Methane, and Nitrous Oxide Interim Estimates under Executive Order 13990”

AGENCY: Office of Management and Budget, Executive Office of the President.

ACTION: Notice of availability and request for comments.

SUMMARY: The Office of Management and Budget (OMB), on behalf of the co-chairs of the Interagency Working Group on the Social Cost of Greenhouse Gases, including the Council of Economic Advisors (CEA) and the Office of Science and Technology Policy (OSTP), request comments on “*Technical Support Document: Social Cost of Carbon, Methane, and Nitrous Oxide Interim Estimates under Executive Order 13990*,” released on February 26, 2021, available at: https://www.whitehouse.gov/wp-content/uploads/2021/02/TechnicalSupportDocument_SocialCostofCarbonMethaneNitrousOxide.pdf. The estimates of the social cost of carbon (SC-CO₂), social cost of methane (SC-CH₄), and social cost of nitrous oxide (SC-N₂O), collectively called the Social Cost of Greenhouse Gases (SC-GHG), are used to estimate the value to society of marginal reductions in greenhouse gas emissions, or conversely, the social costs of increasing such emissions, in the policy making process.

DATES: To ensure consideration, comments must be in writing and received by [45 days after publication in the Federal Register].

ADDRESSES: Submit comments by one of the following methods:

Federal eRulemaking Portal: <http://www.regulations.gov> (our preferred method).

Follow the online instructions for submitting comments.

Please note that we cannot provide an option for written or faxed comments at this time due to COVID-19 protocols. Please submit comments electronically.

All comments and recommendations submitted in response to this notice will be made available to the public. For this reason, please do not include in your comments information of a confidential nature, such as sensitive personal information or proprietary information. The www.regulations.gov web site is an “anonymous access” system, which means OMB will not know your identity or contact information unless you provide it in the body of your comment.

FOR FURTHER INFORMATION CONTACT: For further information, contact: Italy Martin, Office of Information and Regulatory Affairs, Office of Management and Budget, Email:

SocialCostofGreenhouseGasesComments@omb.eop.gov,

Telephone: (202) 395-1046.

SUPPLEMENTARY INFORMATION:

Federal agencies began regularly incorporating SC-CO₂ estimates in benefit-cost analyses conducted under Executive Order (E.O.) 12866 in 2008, following a court ruling in which an agency was ordered to consider the value of reducing carbon dioxide emissions in a rulemaking process. In 2009, an original interagency working group (IWG) was established to ensure that agencies were using the best available science and to promote consistency in the estimated values. The IWG published SC-CO₂ estimates in 2010. These estimates were updated in 2013. In August 2016, the IWG published a technical support

document (TSD) providing SC-CH₄ and SC-N₂O estimates using methodologies that are consistent with the methodology underlying the SC-CO₂ estimates.

The Technical Support Document (interim TSD) released on February 26, 2021, provides an interim update of SC-GHG estimates, which are reported in 2020 dollars, but otherwise use identical methods and inputs to those presented in the 2016 version of the TSD and its Addendum, including the same three peer-reviewed integrated assessment models. In addition, the interim TSD discusses scientific and economic advances that have been made since the time of the last updates to the IWG SC-GHG estimates. This notice requests public comment on the interim TSD as well as on how best to incorporate the latest peer-reviewed science and economics literature in order to develop an updated set of SC-GHG estimates. CEA, OMB, and OSTP request that comments be submitted electronically to OMB by [45 days after publication in the Federal Register] through www.regulations.gov.

Outline of Notice

1. Background
2. Issues for Comment

1. Background

A robust and scientifically founded assessment of the positive and negative impacts that an action can be expected to have on society is a core tenet of the policy-making process. This is particularly important in the area of climate change. In order to meet this charge, the Executive Branch has developed a set of estimates that represent the monetized impact to society associated with an incremental change in greenhouse gas emissions. These estimates have been

developed over the course of many years, using the best science and economics available, and with input from the public.

The latest iteration of this longstanding policy was launched by the re-constituted Interagency Working Group on the Social Cost of Greenhouse Gases, which was re-established by Executive Order (E.O.) 13990. The re-constituted IWG is committed to ensuring that the estimates agencies consider when monetizing the value of changes in greenhouse gas emissions resulting from regulations and other relevant agency actions continue to reflect the best available science and methodologies. In order to meet this charge, the IWG issued an interim Technical Support Document on February 26, 2021. It presents interim estimates of the social cost of carbon, methane, and nitrous oxide, as directed by E.O. 13990. In addition, the Executive Order tasked the IWG with the following:

- 1) publishing a final update to the SC-GHG estimates no later than January 2022;
- 2) providing recommendations by Sept 1, 2021, regarding areas of decision-making, budgeting, and procurement by the Federal Government where the SC-GHG estimates should be applied;
- 3) providing recommendations by June 1, 2022, regarding a process for reviewing and, as appropriate, updating the SC-GHG estimates to ensure that these estimates are based on the best available economics and science;
- 4) providing recommendations, to be published with the January 2022 SC-GHG estimates if feasible, to revise methodologies for SC-GHG calculations to the extent that current methodologies do not adequately take account of climate risk, environmental justice, and intergenerational equity; and

5) considering the recommendations of the National Academies of Sciences, Engineering, and Medicine (NASEM) as reported in *Valuing Climate Damages: Updating Estimation of the Social Cost of Carbon Dioxide* (2017) and other pertinent scientific literature; engaging with the public and stakeholders; seeking the advice of ethics experts, and ensuring that the SC-GHG estimates reflect the interests of future generations in avoiding threats posed by climate change.

2. Issues for Comment

The IWG is issuing this notice in order to facilitate early and robust interaction with the public on this key aspect of this Administration's climate policy.

Request for Comment: The Co-Chairs of the IWG request comments, and any studies or other useful materials related to, the following

- The general advances in science and economics included in this interim TSD, available at https://www.whitehouse.gov/wp-content/uploads/2021/02/TechnicalSupportDocument_SocialCostofCarbonMethaneNitrousOxide.pdf;
- Approaches to implementing the recommendations of the NASEM as reported in *Valuing Climate Damages: Updating Estimation of the Social Cost of Carbon Dioxide* (2017), including recommendations for how the IWG should prioritize and respond to these recommendations;
- Other recent advances in science and economics, beyond those presented in the interim TSD, that could be incorporated into the pending update, including approaches to adequately take account of climate risk, environmental justice, and intergenerational equity;

- How best to reflect the latest scientific and economic understanding of discount rates appropriate for intergenerational analysis when using the interim SC-GHG estimates; and
- Areas of decision-making, budgeting, and procurement by the Federal Government where the SC-GHG estimates should be applied.

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Office of Information and Regulatory Affairs.

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